

TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

03 — 019

2. STATE:

Indiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL  
SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

July 1, 2003

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 433.36

7. FEDERAL BUDGET IMPACT:

a. FFY 2003 \$700,000 to \$1.4million

b. FFY 2004 ~~\$2.8million~~ \$5.5million

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Page 53,  
Attachment 4.17-A, Pages 1 and 1a9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):Page 53,  
Attachment 4.17-A, Pages 1 and 1a

10. SUBJECT OF AMENDMENT:

Liens, recoveries and adjustments

11. GOVERNOR'S REVIEW (Check One):

- ☐
- GOVERNOR'S OFFICE REPORTED NO COMMENT
- 
- ☐
- COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
- 
- ☐
- NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

*Melanie Bella*

13. TYPED NAME:

Melanie Bella

14. TITLE:

Assistant Secretary, OMPP

15. DATE SUBMITTED:

6/6/03

16. RETURN TO:

Melanie Bella  
Assistant Secretary  
Office of Medicaid Policy & Planning  
402 West Washington, Room W382  
Indianapolis, IN 46204  
ATTN: T. Brunner, State Plan Coordinator

## FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

6/12/03

18. DATE APPROVED:

6/10/03

## PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:

*Cheryl A. Harris*

21. TYPED NAME:

Cheryl A. Harris

22. TITLE:

Associate Regional Administrator  
Division of Medicaid and Health Reform

23. REMARKS:

JUN 12 2003

DMCH/ARA

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Indiana

Citation

42 CFR 433.36(c)  
1902(a)(18) and  
1917(a) and (b) of  
the Act

4.17 Liens and Adjustments or Recoveries

(a) Liens

— The State imposes liens against an individual's real property on account of medical assistance paid or to be paid.

The State complies with the requirements of section 1917(a) of the Act and regulations at 42 CFR 433.36(c)-(g) with respect to any lien imposed against the property of any individual prior to his or her death on account of medical assistance paid or to be paid on his or her behalf.

— The State imposes liens on real property on account of benefits incorrectly paid.

X The State imposes TEFRA liens 1917(a)(1)(B) on real property of an individual who is an inpatient of a nursing facility, ICF/MR, or other medical institution, where the individual is required to contribute toward the cost of institutional care all but a minimal amount of income required for personal needs.

The procedures by the State for determining that an institutionalized individual cannot reasonably be expected to be discharged are specified in Attachment 4.17-A. (NOTE: If the State indicates in its State plan that it is imposing TEFRA liens, then the State is required to determine whether an institutionalized individual is permanently institutionalized and afford these individuals notice, hearing procedures, and due process requirements.)

— The State imposes liens on both real and personal property of an individual after the individual's death.

TN No. 03-019

Supersedes

Approval Date

SEP 10 2003

Effective Date July 1, 2003

TN No. 95-024

State Plan Under Title XIX of the Social Security Act

State/ Territory: INDIANA

**Liens and Adjustments or Recoveries**

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1. The State uses the following process for determining that an institutionalized individual cannot be reasonably be expected to be discharged from the medical institution and return home.

*The State requests verification from the attending physician of the institutionalized individual's status immediately preceding giving notice of the State's intent to file a lien on the recipient's real property.*

2. The following criteria are used for establishing that a permanently institutionalized individual's son or daughter provided care as specified under regulations at 42 CFR § 433.36 (f).

*A written statement from the son or daughter describing the type and amount of care provided to the parent by the son or daughter and the effect such care may have had on the parent's ability to remain at home. The statement should include appropriate documentation to substantiate that the care was necessary and provided. Such documentation may include doctor's statements, statements of neighbors or other relatives, copies of cancelled checks, bank statements, credit card statements, income tax returns or other documents or correspondence evidencing the extent and type of care provided.*

3. The State defines the terms below as follows:

- Estate

*All real and personal property and other assets included within an individual's probate estate;*

*Any interest in real property owned by the individual at the time of death that was conveyed to the individual's survivor through joint tenancy with right of survivorship, if the joint tenancy was created after June 30, 2002 and;*

*Any real or personal property conveyed through a non-probate transfer.*

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TN No. 03 - 019

Supersedes

TN No. 95 - 024

Approval Date SEP 10 2003

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State Plan Under Title XIX of the Social Security Act  
State/ Territory: INDIANA

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*Nonprobate transfer means a valid transfer, effective at death, by a transferor:*

*Whose last domicile was in Indiana; and*

*Who immediately before death had the power, acting alone, to prevent transfer of the property by revocation or withdrawal and;*

*-Use the property for the benefit of the transferor; or*

*-Apply the property to discharge claims against the transferor's probate estate.*

*The term does not include transfer of survivorship interest in a tenancy by the entireties real estate, or payment of death proceeds of a life insurance policy.*

- Individual's home

*The recipient's place of residence prior to institutionalization*

- Equity interest in the home

*Any equitable right, title, or interest in real property.*

- Residing in the home for at least two years on a continuous basis

*Using the home as the principal place of residence.*

- Discharge from the medical institution and return home

*Discharge from a medical institution is actual discharge to the recipient's home, which is not a medical institution. Discharge does not include medical leave days or therapeutic leave days, or visitation to home as per a plan of treatment.*

- Lawfully residing

*Residing in the recipient's place of residence with the permission of the owners, or if under guardianship, the owner's legal guardian.*

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Supersedes

TN No. new

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